

September 20, 2007

Mr. William C. Van Dam, CEO Alliance of Western Milk Producers 1225 H Street, Suite 102 Sacramento, CA 95814

Dear Mr. Van Dam:

We have reviewed your September 20th letter regarding the upcoming Class 4 hearing. You raise an interesting concept but as you mention, amendments to the Pooling Plan are not covered by the Notice of the October 10 hearing. Thus, to address amendments to the Pooling Plan, the Department would need to issue a new notice and expand the scope of the October 10 hearing or address them at a future hearing.

Your letter does not contain sufficient details required of a petition. We have attached a document as a guide that outlines the requirements for a petition.

Also, please provide proposed language if you wish to address the following points in your petition to amend the Milk Pooling Plan:

- How would the proposal be implemented in the Pool Plan [example: Article 8 on Transportation Credits]
- How handlers would receive any credits or charges
- How the proposal would handle the calculation of Pool Prices [example: Section (906(c)2, 906(e)1 and 2)]
- If non-pool handlers purchasing directly from producers would be impacted [Section 1001(e)]
- If producer assent applies to your proposal [Section 62717 (b)]
- If the proposal addresses operation of multiple plants
- If the proposal addresses pool accounting for plants that buy multiple classes of milk

Time is very short to announce an expanded hearing for October 10. If you have further procedural questions regarding a milk pooling hearing please contact John Lee or me.

Sincerely,

Kelly Kru⁄g Director

Attachment-petition requirements

State of California Arnold Schwarzenegger, Governor

Administrative Policy Relevant to Public Hearing Petitions

Standard Petition Format

Petitions (and Alternative Proposals) for hearings to amend or terminate the Pooling Plan for Market Milk or a Stabilization and Marketing Plan for Market Milk shall follow the format specified below and shall clearly say at the top: "Petition for Hearing to Consider Amendments to the Pooling Plan for Market Milk and/or the Stabilization and Marketing Plan for Market Milk for the Northern California and/or Southern California Marketing Area."

The Petition or Alternative Proposal Must:

- (1) Clearly state what document is to be amended: Pooling Plan for Market Milk, the Stabilization and Marketing Plan for Market Milk for the Northern California Market Area and/or the Stabilization and Marketing Plan for Market Milk for the Southern California Marketing Area.
- (2) Give a brief written description of the requested amendment(s). Attach a copy of proposed amended section(s) of the Plan(s). If both Stabilization Plans are to be uniformly amended, only a copy of the amended section(s) of one of the plans needs to be attached provided it is clearly stated in the petition that the petitioner proposes amendment(s) to both plans.
- (3) Specify why the petitioner recommends the proposed amendment(s). Attach relevant analysis, comments and data supporting the request.
- (4) Specify what Food and Agricultural Code sections are relevant to the call of the hearing based upon the petition.
- (5) Specify the desired implementation date for the proposed amendment(s)...
- (6) The petitioner needs to both sign the petition (alternative proposal) and print their name. Inclusion of the name of the petitioner's organization, if any, is optional. Also include the date the petition (alternative proposal) was signed, mailing address for the petitioner, a phone number, and if available, a fax number and e-mail address.

All petitions and alternative proposals must be filed with the Dairy Marketing Branch, 1220 N Street, Sacramento, California 95814. If you need assistance in completing this format, please contact the Dairy Marketing Branch at the above address or call (916) 341-5988.